GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2095
ANSWERED ON:05.12.2014
LOANS AGAINST FAKE STOCK CERTIFICATES
Yellaiah Shri Nandi

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received any complaint against public sector banks sanctioning loans against fake stock certificates in the recent past;

(b) if so, the details thereof along with the number of complaints received by the Government against banks / officials during the last three years, bank and State-wise including Andhra Pradesh;

(c) whether the Government has conducted any inquiry against the banks / officials in this regard; and

(d) if so, the details thereof and action taken by the Government thereon along with the remedial measures taken / being taken by the Government in this regard?

Answer

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY)

(a) & (b) : Reserve Bank of India (RBI) has informed that it maintains data under the category of "Cheating and Forgery" which inter-alia includes cases involving loans sanctioned against fake stock certificates. Data on such cases is not maintained by RBI separately. Number of cases reported under the head of "Cheating and Forgery" for the last three financial year and for the current year (upto June, 2014) is as under:

(Rs in crore)

S.No.	Calander Year	No. of frauds cases reported	Amount involved
1.	2011-12 (April to March)	1239	2245.95
2.	2012-13 (April to March)	1144	3773.16
3.	2013-14 (April to March)	1174	4183.92
4.	2014-15 (April to June 2014)	288	2417.05

Bank wise detail in this regard is at Annex-I.

(c) & (d) : Banks examine staff accountability and staff involvement in all the fraud cases and on completion of investigation, the Bank takes action against erring officials as per the applicable disciplinary rules.

Total number of officials probed is at Annex-II.